GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:3066
ANSWERED ON:06.12.2007
EXPANSION, MODERNISATION AND DIVERSIFICATION OF REFINERIES IN ASSAM
Sarma Dr. Arun Kumar

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the utilization status against the existing capacity, source of crude and financial health of the refineries operating in Assam;

(b) ongoing and future programme of expansion, modernization and diversification for these refineries indicating total outlay and utilization made;

(c) the support extended by the Government for expansion of marketing network and future viabiiity of these refineries;

(d) whether the merger of BRPL to IOC has been delayed inordinately;

(e) if so, the reasons therefor and th& target set by the Government to complete the formalities; and

(f) if not, the status and target set thereof?

Answer

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MURLI DEORA)

(a): The details of installed capacity, actual throughput, capacity utilization and gross refining margin for the refineries in Assam for the years 2006-07 and 2007-08 (April-Sept., 2007) are annexed.

(b): The following projects are in progress at Bongaigaon, Numaligarh, Digboi and Guwahati refineries:

(Rs. in crores)

Project	Estimated cost	Expenditure incurred as on 30.9.2007
Diesel Hydro Treatment Plant, Bongaigaon Refinery & Petrochemicals Ltd. (BRPL)	1431.91	161.46
Motor Spirit (MS) Maximization, BRPL	44.56	9.10
Siliguri Marketing Terminal, Numaligarh Refinery Ltd. (NRL)	149.57	82.22
MS Quality improvement, Digboi, Indian Oil Corporation (IOC)	200.00	-nil-(upto 31.10.07)
MS Quality improvement, Guwahati Indian Oil Corporation (IOC)	200.00	3.12 (upto 31.10.07)

Steps have also been taken for implementation of Motor Spirit Quality (MSQ) project and INDMAX project by BRPL and capacity augmentation of Hydrocracker unit and Hydrogen plant by Numaligarh Refinery Ltd. (NRL) for Diesel Quality improvement.

(c) : With a view to improve the future viability of North-East refineries, the following measures have been taken by the Government:

Granting of 50% excise duty benefits to the products cleared from all North-East refineries w.e.f. 1.3.2002.

Allocation of 1.5 million metric tonnes (MMT) Rawa crude oil to BRPL w.e.f. 2003-04 to improve capacity utilization of North-East refineries.

Further, as on date NRL has commissioned 42 Retail Outlets in North-Eastern region. IOC plans to commission 62 Retail Outlets including 34 Kisan Sewa Kendras during the current year in North-Eastern region.

(d) to (f) : The scheme of amalgamation for merger of BRPL with Indian Oil Corporation (IOC) wasapproved by the Board of Directors of BRPL and IOC in November, 2006. No objection from stock exchanges has been obtained. BRPL and IOC have approached the Ministry of Corporate Affairs for necessary clearances. Efforts are on for completion of merger process at the earliest.